GRUMMAN DAILY EDITION
plane news

Pension plan buys 1,160,000 shares

Following Monday's announcement that the Pension Plan might increase the plan's investment in Grumman by purchasing additional Grumman shares, Jack Bierwirth, one of the plan's trustees, announced Tuesday that the plan has completed its acquisition of approximately 1,160,000 additional shares of Grumman common stock. Bierwirth indicated that no further purchases of Grumman common stock are contemplated by the trustees at this time.

Grumman also announced on Tuesday that it may "from time to time purchase up to approximately 1,000,000 Grumman common shares in the market and in privately negotiated transactions." Bierwirth said the purchases would be subject to market conditions and other factors, including compliance with all applicable rules and guidelines of the Securities and Exchange Commission.

Bierwirth also stated that any common shares acquired by the company will be held in the company's treasury for general corporate purposes. He said that because proposed purchases may be made during LTV's offer of $45 per share and common share equivalent, which is conditioned on tenders of a minimum of 50.01 percent of Grumman shares and common share equivalents, information concerning possible company purchases is being mailed to Grumman shareholders.

In another announcement on Tuesday, Grumman Corporation said that it has signed a $200 million credit agreement for additional funds to be used for any corporate purposes including the purchase of Grumman securities if deemed appropriate.

Earlier, the trustees of the Employee Investment Plan -- Vice President - Auditing Howard Dunn, Secretary Bob Bradshaw, and Grumman Aerospace Executive Vice President John O'Brien -- voted unanimously not to sell the plan's common stock to LTV.

Poster power. *The Long Island Association first annual Pride Parade is this Sunday...and you're invited. Bring your spouse, your kids, your friends, make some posters and banners, and march along with the Grumman family. Parade starts at 1 p.m. at Heckscher State Park in East Islip.*

A statement from Joe Gavin to Grummanites

Our defense against LTV's takeover attempt has reached a point where several things are happening at once.

We have brought an action to challenge the takeover as a violation of federal antitrust and securities laws.

LTV has entered a counter claim as a result of our pension plan purchases of Grumman stock and our announced intention to buy additional shares with corporate funds.

The judge has not reached a decision on either claim.

The Federal Trade Commission, the attorney general of New York and the Ohio Department of Commerce have all announced that they also are investigating the takeover attempt.

To add confusion, rumours of various kinds are being reported in the press.

I urge all Grumman supporters to have patience and to bear with us through this trying time.

NY attorney general holds public hearing today

New York State Attorney General Robert Abrams is presiding over a public hearing today as part of an investigation into the proposed takeover. The hearing takes place in the World Trade Center at 10 a.m.

Last week, the attorney general announced that an investigation will be conducted to determine whether LTV has provided full and fair disclosure of all relevant information to Grumman stockholders.

The attorney general can prevent a takeover under the State's Security Disclosure Takeover Act when stockholders have not been provided full and accurate information.

BFCU offers stock as premium for deposits

The Bethpage Federal Credit Union is offering a free share of Grumman stock for every member who makes a deposit of $1,000 or more.

The offer, which expires October 30, is limited to one share per member. To qualify, the deposit must be in the

October 13, 1981—Grumman shares closed at 35¼ today; approximately 832,400 Grumman shares were traded.

form of a withdrawal check from another financial institution or a sight draft on another financial institution accompanied by the applicable passbook. No cash will be accepted.

Deposits will be placed in the member's regular share (savings) account and will earn the recently announced seven percent dividend rate. The money must remain on deposit for a minimum of 10 months. The member's share of Grumman stock will be sent directly from the credit union's broker -- E. F. Hutton.

"This offering is subject to discontinuance at any time and also subject to the availability of Grumman stock," says Pete Seitz, credit union general manager.

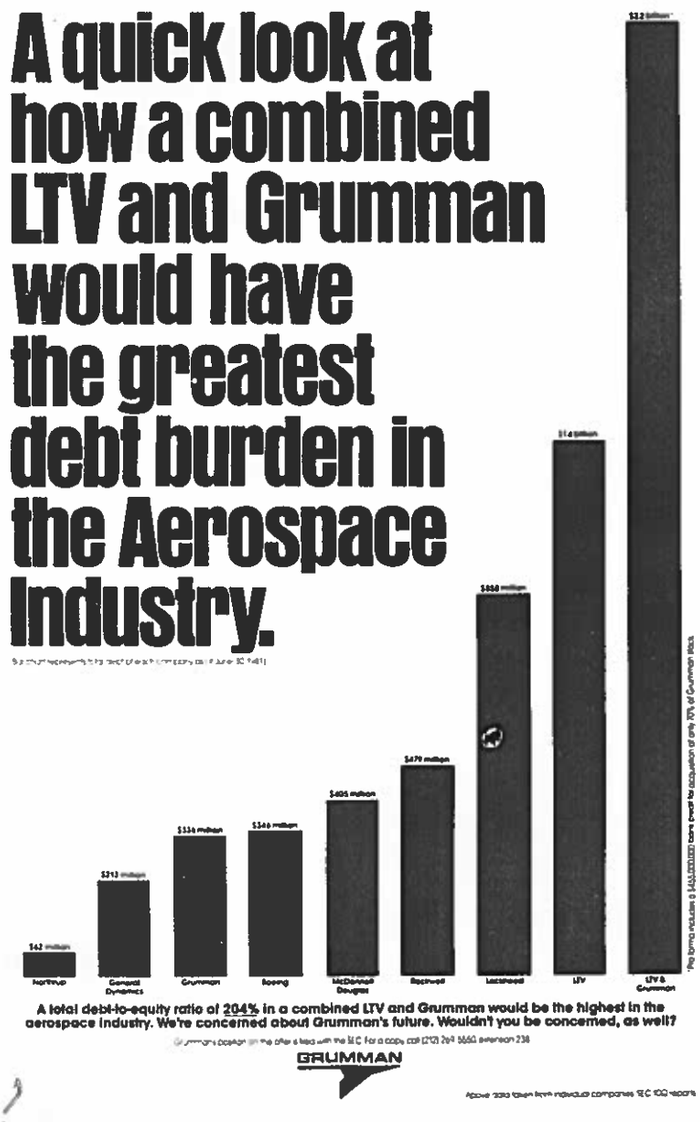
Glen Arm takes a stand

The *Glen Arm Connection*, the newsletter from Grumman Aerospace's Plant 56 in Glen Arm, Maryland, has organized a vigorous letter-writing campaign.

"Let's get behind Jack Bierwirth and George Skurla and fight LTV's attempt to take over our company. And how can we do that? By writing letters of protest to our senators and congressmen -- that's how," a recent issue says.

Editor Hugh Lowder suggests a sample letter: "...those of us who live here in Maryland know all too well what can happen when such mergers are allowed and do occur. A prime example of this is the merger of the Marietta Company with the Glen L. Martin Company, once one of Maryland's largest employers. In just a few years, a workforce of over 30,000 at the Middle River facility has been reduced to around 3,000.

"In view of this, I would therefore urge you to use all the powers and influences of your good office to help stop this unwarranted takeover attempt by LTV Corp.


A quick look at how a combined LTV and Grumman would have the greatest debt burden in the Aerospace Industry.
$62 million
$213 million
$336 million
$340 million
$405 million
$479 million
$668 million
$1.4 billion
$2.2 billion
Northrop
General Dynamics
Grumman
Boeing
McDonnell Douglas
Raytheon
Lockheed
LTV
LTV & Grumman
A total debt-to-equity ratio of 204% in a combined LTV and Grumman would be the highest in the aerospace industry. We're concerned about Grumman's future. Wouldn't you be concerned, as well?
GRUMMAN

"In addition to my job and the jobs of over 300 Maryland co-workers, the jobs of countless other Marylanders associated with subcontractors and suppliers are at stake."

Downey asks LTV -- Clean air or profit?

A copy of an LTV position paper stating that LTV "does not have and cannot obtain sufficient funds" to install air pollution control equipment in its J&L steel division plants has been obtained by Representative Tom Downey.

In a press release, Downey said, "I am outraged to discover this corporation, which is offering $450 million to take over Grumman, is pleading poverty to avoid meeting its air pollution control obligations. This confirms my feelings that the LTV takeover would be detrimental to Long Island."

Downey cited a December 1980 J&L Government Affairs Issue Manual which set forth J&L's position on extending the deadlines for implementation of EPA regulations under the Clean Air Act. The paper stated the following:

"Presently J&L does not have and cannot obtain sufficient funds to meet the present deadline...the deadlines are unrealistic for present economic conditions."

LTV estimated in its 1980 Annual Report that the amount required to be spent at its major steel making plants for environmental control will be between $185 million and $240 million for 1981 and 1982, if the deadline extension is not granted.

"What are the priorities of this conglomerate?" Downey asked. "Will LTV totally ignore the health and well-being of Pennsylvania residents while it wheels and deals on Long Island?"

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Published to keep you informed about the unsolicited takeover attempt.

Questions or comments? Contact us.

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